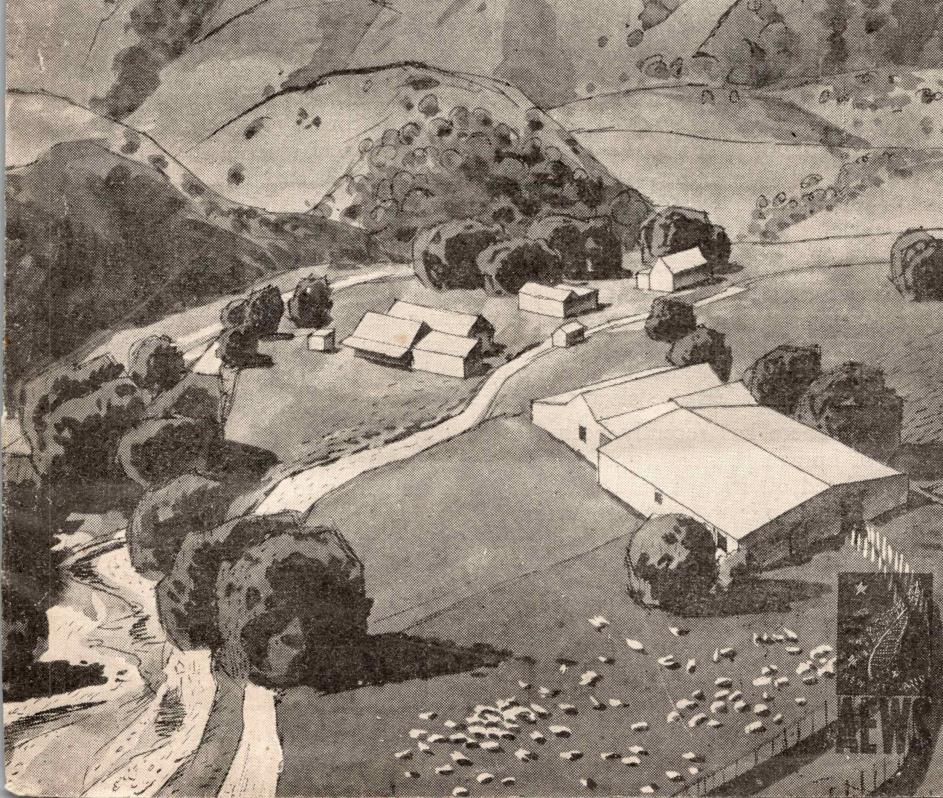


\$3 012

# NEW ZEALAND AND THE POST-WAR WORLD



N Z ARMED SERVICES CURRENT AFFAIRS BULLETIN VOL 3 NO 11





# NEW ZEALAND AND THE POST-WAR WORLD

By KENNETH B. CUMBERLAND

## Introduction

Current Affairs Bulletin, "New Zealand in the World," discussed New Zealand as a political body and agent in "a power-ridden world." This bulletin attacks some of the economic facts, difficulties, problems, and purposes which are nearer the interest of the ordinary New-Zealander famous for his absorption in practicalities, and which are basic to our political life.

While New Zealand's economic status is particularly happy, its problems of economic development are curiously difficult—at least for the moment, somewhat baffling.

A group might open discussion with a review of where we are to-day economically and industrially as a result of wartime pressures. What is the industrial picture and the real agricultural position? What are the reliable facts and opinions about New Zealand's raw material resources and prospects for development in an economically justifiable way? What should the State control? What should the individual control? Then there is the vexed question: Is New Zealand to continue as an agricultural country in the interests of trade and service to the world? Two special problems complicate the situation—erosion wastage and South Island depopulation. Is it labour New Zealand needs most, or raw materials, or a concerted plan?

New Zealand is a youthful nation. Its economy is still largely semi-colonial in character. Food comprises 66 per cent. of its exports and wool another 26 per cent.; completely manufactured goods bulk largely in its imports. Yet New Zealand's attainments are not inconspicuous. The Dominion has achievements which even New-Zealanders are slow to realize and hesitant to believe.

There has recently been much study of the world distribution of human progress, productivity, comfort, health, energy, diet, and related questions; and amongst the conclusions to be drawn from this study is the fact that in many directions the youngest Dominion leads the way and sets the architects of the post-war world an example. Such impartial conclusions have recently been reached by a variety of investigators outside New Zealand.



# PART I.—NEW ZEALAND IS A YOUTH

## 1. Pre-war Economy and Attainments

In a century of European settlement New Zealand has been converted from a land of dense bush and empty plains into one large heavily stocked farm. On this conversion to agricultural uses rests New Zealand's specialized output of animal products and still more specialized export of staple food commodities and raw materials. Dairy produce, meat, and wool now make up 85 per cent. of the export trade in the inter-war years. A total of 96 per cent. of exports is now accounted for by products derived from primary industries and ultimately from the soil.

The New Zealand climate allows an almost year-round grass growth, and there is no need for expensive indoor housing and feeding of stock so that the farmer by using scientific methods has been able to out-distance all his rivals in terms of *per capita* production. The New Zealand farmer produces goods to a value at least twice that of any competitor except the Australian, and he out-produces the Australian by 60 per cent. He produces foodstuffs and agricultural raw materials between four and five times as valuable as those of his United States, Danish, or English counterpart. Of course, the New Zealand stockman frequently operates on a very large scale. Here and there sheep-runs comprise 100,000 acres and carry as few as from ten to thirty sheep per 100 acres. The average size of holdings, including the most intensive North Island dairy farms and orchards and market gardens down to one acre in extent, is a little over 500 acres, seven to eight times larger than the average holding in England and Wales. The amount of labour employed is at a minimum; on the other hand, even purely pastoral units are highly mechanized. Electric power is widely employed in rural districts—in the home, the shearing shed, the cow bail, and the dairy.

Manufacturing in New Zealand is hardly less efficient than agriculture. The value of the *per capita* output of factory workers is exceeded only in Canada and the United States; and this despite the inadequacy of the basic requirements of "pure" industry. The Dominion now has over six thousand (mainly small) manufacturing establishments with a wide range of operations; with few and insignificant exceptions these are concerned with the processing of farm products. Meat freezing, butter and cheese making, vegetable and fruit canning, leather tanning, bacon curing, milk condensing, flour milling, and, more recently, the dehydration of meat, milk, and vegetables—these are characteristic New Zealand industries. They are highly mechanized, and the value of raw materials and final products is great compared with the number of operatives concerned.



## 2. Other Achievements

In view of the surprising efficiency and exceptionally high *per capita* productivity of the primary and secondary industries of the Dominion we can more readily understand the list of New Zealand's other achievements. Average annual income per head over the period 1925-34 was exceeded by the average *per capita* incomes in only four countries—the United States, Canada, Great Britain, and Switzerland. To-day it has probably overhauled all but the first of these. The superstructure of non-military, tertiary industries is also impressive.

The diet of the average New-Zealander most nearly approaches the desirable diet, although there is still room for improvement. Taking an index based on standardized death-rates, expectation of life and infant mortality, New-Zealanders are healthier, and more vigorous than any other people; despite this they were in 1930 furnished with more physicians, dentists, and hospital beds in relation to their total numbers. Since then—in 1939—the Social Security Act has been in force and it provides a more comprehensive programme of medical, hospital, superannuation, maternity, and related benefits than is elsewhere in operation. In total it is a record of which the Dominion may be proud and one which the planners of the new world might seek to equal in less fortunate countries.

## 3. The Impact of the War

We remember how New Zealand's semi-colonial economy, dependent to such a degree upon international exchange and the ruling prices of its staple exports, was shaken by the threat of depression. Since "the distressful thirties" New Zealand has embarked upon a policy of national independence. She hoped to detach herself from price and market fluctuations. She was determined to ensure against economic instability by decreasing the country's lop-sided reliance upon a restricted range of primary products. The approach of war and the early years of the conflict saw this programme intensified. For the first time New Zealand politicians thought in terms of economic nationalism, and the late Prime Minister talked of "insulating" the Dominion's economy. A large public works programme was undertaken with ambitious road and railway construction, hydro-electric power development, and irrigation projects. In 1938 import and currency restrictions were imposed and trade policy brought under rigid supervision. This control by the State remains to-day and is not expected to be relaxed without careful consideration.

The outbreak of war found New Zealand short of many imported manufactured goods, with a considerable number of small-scale, infant manufacturing industries. These were dependent upon protection, were not essential to a war economy, and included an array of unfinished public works projects. The swing to a wartime



economy was therefore slow, laborious, and difficult. It was not until 1943 that New Zealand was able to make its most efficient contribution to the United Nations' cause. Meanwhile New Zealand sent on active service a greater ratio of fighting men than any other Allied combatant. On the industrial front New Zealand's effort is restricted by the nature of its resources; yet in many directions small-scale, but valuable, contributions have been made. It is, however, on the food front that, given shipping space and facilities, the Dominion is best equipped to give assistance. New Zealand has already given, and can still provide, reverse lend-lease. Although Japan has been defeated, there are still sizable Allied Forces to feed throughout the Pacific. UNRA demands for many countries will probably require New Zealand's valuable help for several years at least. Of course, the call upon the Dominion's food resources will depend upon the number of Allied personnel established in Japan and the central Pacific for the guarding and reorganization of these wide areas relatively close to New Zealand. These needs should be known more definitely within a year.

#### 4. Wartime Tasks

All agree that the production and processing of foodstuffs of certain agricultural raw materials has been New Zealand's proper and most fitting wartime task. It was no easy one. Agriculture has long felt the lack of labour, and the war intensified this. One division of men is still overseas, and, in spite of reductions, many thousands out of a total population of under a million and three-quarters are serving in the Air Force and in the Navy. War factories and expanded or newly erected food processing plants have taken more. A total of 132,599 workers was employed in factories during 1943-44, an increase of 2,039 on 1942-43. Farm labour is scarce in spite of considerable demobilization, farm machinery has deteriorated, and much new equipment is required. Moreover, certain branches of New Zealand's primary industries were highly dependent upon Japanese-held Nauru and Ocean Island phosphates—notably the Waikato dairy farming industry. Yet, despite difficulties and delays, New Zealand's war effort in all spheres has been creditable.

#### 5. Questions

1. Is the average size of agricultural holdings too large or too small for the maximum use and exploitation of New Zealand's available farm lands?

2. Gather opinions about the farm labour problem. What can be done? Will the shortage of farm labour inevitably continue?

3. Does industrialization and the drift to a few large towns defeat agricultural expansion?

4. Australia has invited capital in large amounts from England and the United States. Does New Zealand need a renewal of capital investment from overseas sources to enable her to modernize farming, industry, and housing and to compete in the post-war



world of reconstructed industries? Discuss the use of the Dominion's London funds. How should they be used? What imports—agricultural machinery, motor-cars, refrigerators, books, &c.—should be given priority, since the funds are limited and our shortages serious?

5. New Zealand's industrial establishments are predominantly small and scattered. They are economic for the present market. Discuss whether there should be greater concentration and combination; and, if so, how it can be brought about.

6. Has the war developed a nationalist ideology which will demand more "insulating" of the Dominion's economy and dominance of State-planning over private organization and enterprise?

## PART II.—THE ALTERNATIVES

New Zealand, with the rest of the world, is faced with two clear-cut alternatives as an aftermath of war—a reversion to pre-war conditions, in which case the peace will be lost, or organization on a world basis so as to make war impossible by expressing approval of the terms of the Charter of the United Nations formulated at San Francisco. New Zealand has chosen the second course. It is imperative that New Zealand should take an active part in planning, organizing, and administering of the post-war world. These are tasks which will demand the abilities and energies of all nations. Though small, New Zealand has much at stake and much to offer, and ought to devote all its resources to bringing into being the sort of world the Charter visualizes.

### 1. Implications of the San Francisco Charter of the United Nations

Fifty sovereign States agreed to the Charter formed in open conference at San Francisco. All that New Zealand is asked to do at the moment is that she should act in accordance with agreements to be entered into if ratified by Parliament. Parliament has already ratified the Charter of the United Nations and the Statute of the International Court of Justice, one of its organs. The Dominion's obligations are as yet somewhat undefined, but the Prime Minister advised Parliament that they may be substantial. One definite responsibility devolving on New Zealand is the provision of whatever armed Force is considered proper after consultation and agreement with the Security Council of the United Nations organization.

The Charter comprises 101 articles divided into 19 chapters.

Article 1 states the main purposes of the United Nations are—

- (1) To maintain international peace and security, and to that end to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace, and



to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace ;

- (2) To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace ;
- (3) To achieve international co-operation in solving international problems of an economic, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion ; and
- (4) To be a centre for harmonizing the actions of nations in the attainment of these common ends.

The organization has six principal organs : A General Assembly, a Security Council, an Economic and Social Council, a Trusteeship Council, an International Court of Justice, and a Secretariat. The attitude too frequently adopted is, What can New Zealand best do to insure its economy against the risks of the post-war world ? It is not sufficiently realized that the answer is to be found not in New Zealand, but in the world at large. It would seem that the more desirable New Zealand attitude to the post-war world is better expressed in the question, How can New Zealand best plan its economy and utilize its resources in the service of the world envisaged by the Atlantic Charter and the pronouncements to which New Zealand is committed ? This is the question which should properly concern the Dominion and its Government. What follows is a geographer's attempt to answer this question.

## **2. New Zealand's Best Contribution**

New Zealand is physically and culturally equipped to contribute most to the new world as a producer and processor of foodstuffs and certain industrial raw materials. It is best fitted to serve the world at peace in the way in which it has settled down to serve the United Nations at war. New Zealand can best do for an inter-dependent world what its physical and cultural resources enable it to do efficiently and economically. It can take still greater advantage of its natural resources and of the techniques, skills, and cultural efficiency which have been accumulated through the years. Some think New Zealand can serve a world organized for consumption (as well as production) better by increasingly efficient use of soil, climate, pasturage, and live-stock than by the employment of costly imported materials and machinery functioning only behind protective barriers and paid for ultimately by living at standards below the best possible. Do you agree ? One argument is that New Zealand is better equipped to serve humanity in an agricultural rather than an industrial capacity. It has learned to utilize its soil,





**The balance between urban . . . .**

water, and climatic resources to produce in large quantities food-stuffs of prime nutritive value. On the other hand, valuable basic raw materials on which "pure" manufacturing industries could be firmly established are still to be discovered.

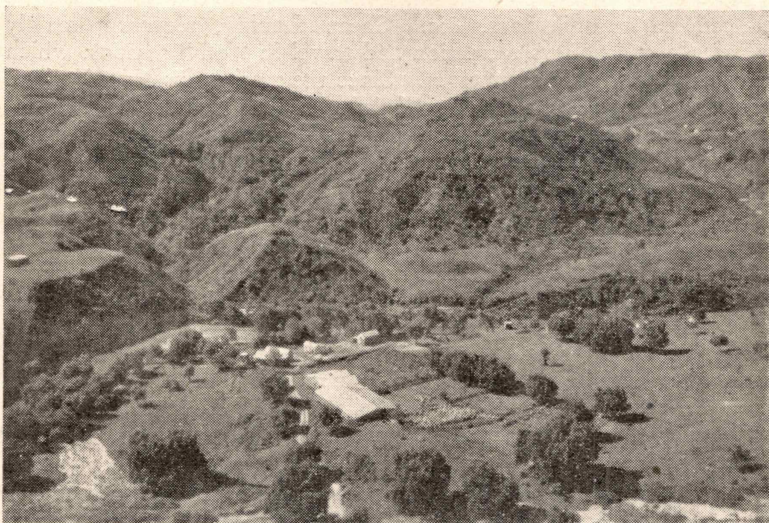
It has taken the war to awaken public interest in our agriculture and in a hungry world's needs. Some 1,200,000,000 people in it have diets and food supplies which are less than a quarter as adequate as those enjoyed in the United Kingdom, North America, and New Zealand. Food will remain a world priority for many decades to come. New Zealand is able to contribute materially to raising the nutritive standards of the diet of some millions of people. Its milk products especially afford a means of improving their health.

The Dominion had reason to be vitally interested in the Food Conference at Hot Springs, Virginia. It has valid reason for adopting as its post-war maxim the statement made by President Roosevelt in describing the function of that Conference: that "each nation individually and all nations collectively . . . must take all necessary steps to develop world food production so that it will be adequate to meet the essential nutrition needs of the world population. They must see to it that no hindrances, whether of international trade or transportation, or of internal distribution, be allowed to prevent any nation or group of citizens within a nation, from obtaining the food necessary for health." In view of the potentially insatiable world demand for food, the New Zealand fears of competition from synthetic substitutes lose much of their basis.

### **3. Industrialization of Food Production**

For New Zealand these considerations are both more opportune and more onerous than for most countries. They promise a bright economic future; yet they impose a highly responsible duty and a





. . . . and rural population is less satisfactory.

heavy burden, for continued and expanding food production within New Zealand is beset with a number of great problems. These are discussed in outline below.

New Zealand to-day enjoys a good balance between industry and agriculture. Between urban and rural population the balance is less satisfactory with the steady tendency of an "urban drift." But the prevailing distribution of population with decentralized urban growth is socially and medically most desirable. This is a better balance than obtains in the majority of countries. To say that New Zealand is better equipped to produce food and raw materials than it is to furnish finished manufactured goods is not to imply that this balance must be tilted heavily in favour of agriculture. It does, however, point to the direction in which industry—employing already more workers than are employed on the land—might be expanded to the greatest advantage of both New Zealand and the rest of the world. If, in the post-war world, New Zealand is able to expand and diversify its primary industries, this must entail a corresponding expansion and diversification of secondary industry. The socially desirable balance between agriculture and industry—between urban and rural population—will then be maintained.

#### 4. The Road is not Easy

If agriculture is to expand considerably, dairy farming development will support a larger population than either sheep or arable farming. It also produces a greater gross return per acre (though it requires continuous attention) and tends to closer settlement. This in turn draws better transport facilities, communications,



educational organizations, &c. Sheep farming, requiring mainly seasonal work, allows recreation and travel in "off" seasons, which may have economic advantages. Since the market for New Zealand produce is variable and dairy farming is less subject to extreme market fluctuations than sheep and arable farming, if the country is to extend agricultural activity, dairy farming should be the preferable dominant economy.

It is easy to propose expansion of dairy farming, but in fact the more progress a farmer makes with his unit, the dairy cow, the more difficult his task. It is easier to raise average production from 200 lb. to 250 lb. than to maintain an average of 400 lb. Again, producing the maximum amount of food does not always result in the greatest net profit. To date New Zealand has been under the economic necessity to utilize available first-class land for milk and butterfat production. Making a market for chilled beef will require some copying of the Argentine practice of concentrating more on fattening beef type cattle and early killing.

Some experts consider it unwise to overstress the present cry of the necessity to feed "the starving millions" in considering future marketing prospects. With regard to the farm labour shortage, the main difficulty is not, and will not, be so much the cost of labour as the scarcity of efficient farm workers who can earn their wages.

Agricultural prosperity depends heavily upon export prices. These rose 12.4 per cent. between 1942 and 1944. New Zealand can hope they will be at least maintained at this level and not assist internal inflation tendencies. New Zealand workers have saved millions during the war years, and these, barring runaway inflation, can materially promote general agricultural and industrial expansion which all desire.

## 5. Economic Expansion

Just as New-Zealanders will be reluctant to abandon their expended industrial exporting, so people of countries we serve will not welcome curtailment of our primary production, unless competitive agricultural expansion is pushed in many countries. Our primary industry will want other nations to follow a liberal trade policy so that the markets will be available.

Apart from the economic advisability of continuing the manufacture of certain products in New Zealand, there will be a natural wish to retain the present war inflated manufacturing capacity to provide employment. Rural employment has become increasingly unpopular.

In peace-time as in wartime the State's public works are likely to dominate the field of major constructions and communication improvements based on economic developments. The Public Works Department will examine all proposed works from the point of view of essentiality and natural "bottlenecks." Track equipment



in New Zealand, State and private, has outlived its economic life, and expansion of either primary or secondary industries will demand extensive renewals and additions of equipment.

## 6. Questions

1. Discuss how New Zealand's commitments in the Atlantic Charter and in world conferences can be expected to affect the local production system.

2. The terms of the Atlantic Charter are considered by some to be ambiguous. Does, for instance, the proviso "with due respect for existing obligations" mean that the Ottawa Agreements are outside its scope? The Mutual Aid Agreement, signed by New Zealand, refers to "discriminating treatment," with a promise to avoid it in trade relations. Does this exempt Imperial preference or not?

3. New Zealand has adhered to declarations for greater freedom of trade. Discuss the likely effect of tariff revision and reduction by the New Zealand Government. Will tariff reductions intensify competition for some local industries and be campaigned against by certain sections?

4. The Dominion is committed to playing the role of a food producer for a number of years. It is well suited and established in this economy. Is the majority now moving away from interest in farming as a life and a career? Is education proving an urbanizing force? Can a "back to the land" movement be considered advisable and possible?

5. The text considers New Zealand enjoys a good balance between industry and agriculture. Does the group think it good? Or is it economically necessary and, indeed, conservative?

6. There are more monopoly practices in the present economy of New Zealand than citizens realize. How can the degree of monopoly inherent in the high cost of "getting into" farming or business or even acquiring a modern freehold home be avoided? Does monopoly partly account for the unsatisfactory quality of some locally made goods? What monopolies has the war accentuated in New Zealand?

## PART III.—CURRENT PROBLEMS

Expanding agricultural output in New Zealand is no longer a matter of opening-up and "subduing" virgin territory. New Zealand's frontier has diminished to vanishing point; pioneering is fast disappearing. In common with that of the other new lands, the settlement of New Zealand by a sparse, immigrant population has unfortunately been accompanied by immense prodigality. Apparently "limitless" resources have been misused and squandered.





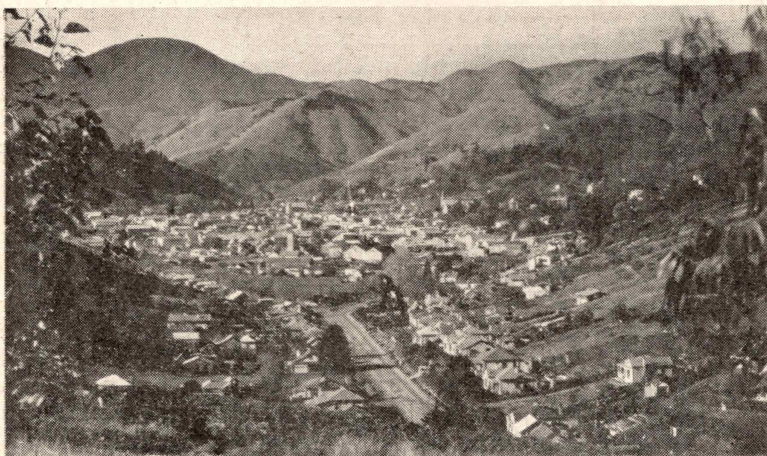
**The erosion problem is extensive.**

In one century the Dominion's forest has been reduced from 54 per cent. to 16 per. cent of the total area. By far the greater part of it went up in smoke and flames. More than half of the indigenous grassland of the country has suffered from fire, from over-grazing, from an excess rabbit population, and from inattention, and is now seriously deteriorated ; much is already in a state of utter depletion. Again, through misuse or malpractice, good land—formerly richly remunerative—is reverting to native and exotic weeds. Some is being abandoned. The category of land which official statistics have, since 1915-16, classified as “fern, scrub, and second growth,” has increased in the past two decades at an annual average rate of almost 100,000 acres.

### **1. Soil Wastage and Consequences**

Such ill-advised treatment has brought still more serious consequences in its train. It has been estimated that half the superficial area of the Dominion—two-thirds of the occupied acreage—is suffering in various ways and to varying degrees from unnecessary soil wastage. Though publicity in regard to the facts has only begun, New Zealand has a soil erosion problem which, in view of its dependence on the soil and its paucity of other physical resources, is relatively as extensive as that of any other of the new lands. The present war has accentuated these problems. The current cry is for maximum production. New and exhausting crops—linen flax, for example—have been introduced. The Dominion aims at a self-sufficient output of grain, especially wheat. Meanwhile labour is in shorter supply than ever. While asked to yield more food and fibre, the land receives less care and less adequate attention. Nor are soil erosion and soil exhaustion the only significant land problems facing the Dominion's farmers, administrators, and scientists. Noxious weeds, mineral deficiencies, stock diseases, pasture reversion, and





**Rural industries will mean rural amenities.**

insect pests have all had attention in recent years by the Department of Scientific and Industrial Research and the Department of Agriculture. All require still more.

## **2. South Island Depopulation**

A problem of rather different order has been taking shape for the past half century. It began in the late 1880's and 1890's with the introduction of refrigeration and related techniques. Its extent and seriousness have, however, only recently caused concern. It is the "drift" of population from the South Island to the North Island. The principal attractive forces operative in the North Island are: first, the protected establishment of new industries using largely the imported raw materials landed at Auckland and Wellington, and, second, the increasing centralization of administration and the extension of the activities of official agencies in the capital. Wartime military establishments, defence construction, and the expenditure by both New Zealand and Allied Forces have recently accelerated the fifty-year-old trend. And this phenomenon has brought smaller—yet serious—problems in its wake: acute housing difficulties in those of the North Island areas which have "benefited" from the movement; electric power shortages; industrial congestion; overburdened transport facilities; excessive urbanization of population; and, more recently, a relative and absolute decline of rural productivity in the "deserted" South Island. Can these tendencies be halted? In a world economy of freer trade, subsidized grain growing on the Canterbury Plains, for example, must give place to more efficient and expanded primary production, utilizing, possibly, irrigated pasture grasses and lucerne and making available raw materials for new and enlarged processing operations. Afforestation of the more accessible of the deteriorated tussock grasslands of



Canterbury, Marlborough, and Otago, stripped now of much of their soil would furnish, ultimately, softwood timber for wood-chemical industries which might well be established in New Zealand in a post-war-world timber famine. More important, the South Island is better equipped with sources of power—both from coal and water. The North Island has probably already developed some 50 per cent. of its potential hydro-electricity. The vast potentialities of the South Island are barely touched.

### 3. Future Programmes

If the post-war world is organized around a policy of higher living standards for all, if increased consumption is made the effective starting-point of a programme of expansion, and if international trade is enlarged and goods allowed to flow more freely between nations (through an orderly reduction of unnecessary barriers and other restrictive practices), then the path of future economic development in New Zealand is clearly defined. Above all, New Zealand has the duty of assisting in the effort necessary to bring it to full fruition. Meanwhile the job is to prepare domestic plans which will enable the Dominion to contribute to the full in a world reconstructed.

It therefore becomes clear that New Zealand's most fitting role in such a post-war world is that of food producer. Within an economy determined in the main by its physical and cultural advantages and by its particular uses in the international world, New Zealand must endeavour to preserve and improve internally those social and economic advantages which it already enjoys. Put very simply, it would appear that domestic effort must be expended above all to produce foodstuffs and raw materials in the largest volume for very many years to come. This involves an enlightened and thorough-going programme of conservation, for New Zealand would fail in its duty if, by producing to the utter limit immediately after the war, it was unable to *continue* producing in large amounts. The only excuse for not producing to the very maximum in a hungry post-war world would be this: without wisely-designed conservation policy, further exhaustion of soil fertility, accelerated wastage of the soil itself, and an enforced decline of output in future are sure to come. Happily, however, it has been demonstrated that a wise programme of land utilization and soil conservation, while ensuring permanent productivity, need not diminish current output. With effective measures to conserve its resources, New Zealand may proceed fearlessly to maximum farm production. Soil conservation is particularly important to a specialized food producing economy such as is here envisaged for New Zealand. It implies immediately wise use of the Dominion's primary resources; it entails, in the long run, maximum output and maximum material contribution to the new world. No Atlantic Charter can be ultimately and completely successful without conservation of resources.



#### 4. Planned Industrial Centres

There are necessary corollaries to such programmes. It is also imperative while establishing new processing industries to avoid further urban congestion or continued "drift" to the North Island. The planned distribution of future industrial plant amongst the rural townships of the Dominion will be facilitated by the rural origin of raw materials, the further development of road transport, and the availability of hydro-electric power (which is more readily provided and more easily transmitted over the entire inhabited countryside than are other motivating agents). This planned growth of rural industries will itself facilitate a great advance in rural standards of life and ensure an extension of rural comfort and amenities. Town planning will further help to give these programmes definition. Finally, New Zealand can help to ensure the materialization of the Atlantic Charter ideal by refusing to countenance the restrictive policies now being advocated by trade associations and interested groups. It must review dispassionately those industries established behind a formidable wall of import restrictions and an autarchic policy of "insulation." These industries will not be "vital" in an economy like that outlined. In the long run they are paid for by lower living standards.

#### 5: Prospects

On the other hand, many and varied suggestions have been advanced in recent months indicating possible new manufacturing industries. Amongst them light metals have attracted most attention. Others include plastics from coal, wood, casein or soya bean, alcohol, and carbohydrates from potatoes or grain and wood-chemicals. It is noticeable and, from many points of view, heartening that most of these suggestions could only be based on a resuscitated and diversified agriculture. None should be cast aside before it is fully investigated. Should any prove possible without protection or artificial stimulus they must be adopted. Some might even be justified on grounds of conservation alone.

#### 6. Conclusion

The central principle of lend-lease agreements is that each nation should contribute to the common weal of the United Nations to the limit of its resources and ability. The role assigned New Zealand under lend-lease is primarily to produce and process food and raw materials. It is a prime ideal of the Atlantic Charter that each nation should, in the post-war world, make its greatest contribution to the common weal of *humanity*. New Zealand is best fitted to serve the welfare of humanity as a whole as it is now serving the cause of the United Nations. The military demands of a wartime economy restrict the level of maximum effort on the land and in the factories; but with adequate forethought, with a thorough programme of fact-finding and resource conservation, and with



scientific and regional planning of town and country, New Zealand's maximum might be raised very considerably above its present high level. New Zealand's future peacetime economy should occasion few fears and it should ensure a further increase in the Dominion's already high standards of comfort, health and happiness.

Already New Zealand's attainments—in peace and in war—provide, indeed, an example which will repay study. They are sufficient to justify New Zealand in seeking to take part in the outlining of post-war objectives and in the erection of future world standards of living and comfort. More, they impose upon the Dominion a duty to do so. It is upon the success with which New Zealand discharges this duty to the post-war world that its own standards of life will hinge. It is a task which provides the Dominion with an early opportunity of emerging, as a nation, from adolescence to full manhood.

## 7. Questions

1. News and propaganda regarding the extent of erosion has reached the country. There is much talk. What can be *done*? Will it be done without extensive interference in private enterprise, farming and land holding? Is a supply of immigrant labourers necessary to cope with the large areas involved and becoming steadily wasted?

2. Discuss the South Island's population situation. Compare major resources and their stage of development in the two main Islands. What are the "vast potentialities" of the South Island?

3. How can New Zealand arrive at a balance between the use and exploitation of resources—*e.g.*, timber, coal, and pastures? Is the immediate demand for raw materials too strong for serious conservation to be honestly applied?

4. Can urban congestion and continued "drift" to the North Island be stopped? Is it true that New Zealand can stand a considerable degree of urban congestion owing to its excellent sunny climate and free outdoor spaces?

5. Discuss the prospects for new manufacturing industries. Will they be left to the initiative of manufacturing associations and dominant firms? What does the group know of the possibilities in coal, wood, casein, the soya bean, sugar beet, alcohol from potatoes, grain, &c.?

---

**Date of Publication : July 9th, 1945.**